

FABIAN QUARTERLY

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No. 24

WINTER

1939-40

FABIAN SOCIETY

11, Dartmouth Street, S W 1

FABIAN RESEARCH

Quarterly Report

The report which it is customary to give in each *Quarterly* has this time been scooped by the December *Fabian News* in its editorial. Instead of the rather general outline that is normally given in these notes we shall concentrate in more detail on a few aspects of the field, merely mentioning others for the sake of completeness.

EVACUATION

On the home front more and more of the work that we at first planned was found to be greatly affected by the success or failure of the evacuation scheme. As a result we are now concentrating on a series of studies which it is hoped will eventually be welded together into a book summing up the experiences of the first three months of the scheme, which has probably had more widespread effects on people and institutions than any deliberate scheme operated by local government authorities which has yet been tried. In connection with this, reports are being prepared on the scheme itself ; on its repercussions on local government finance, education and the health services, and on various aspects of family and individual life ; on the need for community centres ; and on the scheme seen as a whole from various areas. Much of the information has been collected by a long questionnaire sent out to numerous members who have responded with immense energy and have sent in reports on their areas based on its headings. As a result this scheme will be a real Fabian Society production in which a remarkably large number of members will themselves have collaborated ; we are hoping that this principle will become common and that more and more members will be active in the Society's work.

WAR AIMS

Dr Rita Hinden is helping the Society with voluntary work as secretary to this group, and is doing research for it on the colonies, a subject on which she had just prepared a report for the Society at the outbreak of war. A synopsis for a long study on *South Eastern Europe After Hitler* by Doreen Warriner is being considered. This will deal with the vital problem of differential rates of economic development among European countries, and the raising of the standard of living in backward areas. Besides these and the plans mentioned in our last number, work is being planned or is actually in hand on the history of the

League of Nations, territorial changes since 1920, possible substitutes for the League and the repercussions of the blockade on the colonies.

COMING PUBLICATIONS

At the other end of the scale from all this is the work that is nearing completion. Charles Smith's book on *Food Policy* is to be published by Routledge as soon as additional sections describing wartime conditions have been completed. Polly Hill's book on *Unemployment Services* is in page proof and will be coming out soon from the same publishers. Arrangements are being made to enable members of the Society to purchase both these at reduced rates. Future tracts and pamphlets will probably include one on the nutritional aspect of evacuation by Le Gros Clark, *Food in Wartime* by Charles Smith and *Relations with the U S S R* by K. Zilliacus.

As a society we have always done work on the general principles of socialism, and an interesting publication which we are at present preparing will consist of a series of short essays by various well known socialists giving their views on Mr H G Wells' recent pronouncement on the need for a new declaration of the Rights of Man, to reconcile the principles of the revolutions of 1789 and 1848 with that of 1917. Though not technically research, we feel that this will provide a document of considerable interest.

MISCELLANEOUS

One other definite scheme of research which is to start soon will be a survey of the effect of the war on particular groups of individuals in a representative town. This work is being financed by the Ethics and Economics Trust of the Ethical Union and will be conducted by Polly Hill, whose previous work for us will be completed by the publication of the book mentioned above.

Besides these, plans are being made for research into wartime economies and a committee has been appointed to take charge of the problem.

The General Secretary will be glad to supply further information on the research and other activities of the Society to anyone applying to the Fabian Society, 11 Dartmouth Street, S W 1 (WHI 3077). Correspondence regarding the *Quarterly* should be sent to the Editor, H. D. Hughes, at the same address.

R. P.

BRITISH AND GERMAN PROPAGANDA

Megaphone

The main military discovery of the period between wars was the discovery of the power of propaganda. Lord Northcliffe, of course, was the pioneer. The Russian Bolsheviks discovered many improvements. Hitler and Goebbels improved upon the Bolsheviks' work, and at last have had the satisfaction of seeing their mentors copy them. No-one who has followed the politics of the last ten years can deny the power of propaganda. It is perhaps a paradox that in a period in which everyone was proclaiming the ever-increasing enslavement of man to the machine the importance of influencing men's minds was becoming greater and greater. But it is not unreasonable or irrational. The more powerful and destructive the machine, the more important becomes the mind of the man who operates it. The advance of industrial technique necessitates popular education, and the more widely education is disseminated among the people the easier it becomes to influence them. The power of the written word increases, and the power of the spoken word, conveyed by radio, becomes overwhelming.

A new method of attaining political and military objectives has therefore arrived. Materially, one power may be weaker than another. But if the morale of the stronger power can be sapped, and its determination destroyed, and if at the same time the people of the weaker power can be spurred on to super-human efforts, then the weaker power will win. That is why the Nazis have been so successful in the last fifteen years. Before they came to power, they were able to defeat an opposition which was intrinsically immensely superior. Since they came to power, they have scored success after success against forces which were immeasurably greater, simply by destroying British and French will to resist. First they managed to give the impression to the German people that resistance was useless, so no resistance was attempted. Then they proceeded to play precisely the same game on the international front. Britain and France could have prevented the cession of the Saar, the invasion of the Rhineland, the annexation of Austria, and the conquest of Czecho-Slovakia. But their will to resist was sapped, essentially by German propaganda. It may be that at Munich Britain and France were too weak to resist Germany; but their failure to rearm in time was again a consequence to a very large extent of German propaganda. It may be again that the ruling classes of Britain and France failed to check the expansion of the Nazis because they feared the

alternative of Communism ; but that again was a triumph for the German propaganda machine in that it succeeded in deluding these ruling classes that it was an enemy of the Soviet Union and in concealing the real objective, the destruction of British power.

TO THE LAST FRENCHMAN

Since the war began, the importance which the Nazis attach to propaganda has become increasingly apparent. Against Britain and France a barrage of propaganda has been directed. There is no evidence that it is having any effect, but that is immaterial. Its potential effect is tremendous. For the French people, the line is a simple one. It consists simply of assertions that the French are fighting Britain's war, and that Germany has no quarrel with France. On the face of it, this line is manifestly ridiculous. The French people understand perhaps even more clearly than we do that their very existence as an independent people depends upon victory. But the propaganda is worked out with such ingenuity that it may ultimately prove dangerous. It is asserted, for example, that the Anglo-French economic agreement is a British device to take the French gold reserve, Britain's own finances having been exhausted ; that the British are unable to produce munitions for themselves, so want the French Army's munitions ; that the British Navy is unable to safeguard the seas, and that Britain therefore wants France's food. These assertions, repeated day in and day out in ever-changing form, do no damage to morale now. But if the French army were hard pressed and if for some reason or another the British army were somewhere else, or if the allied cause suffered a set-back, the result of the propaganda might be seen. At the moment, the Allied front is absolutely firm, but if for some reason a fissure appeared in it, then this mental preparation would be of great potential value to the Germans.

LORD HAW-HAW

For their propaganda to British listeners, the Nazis appear to rely upon a rather different technique. First of all, they have to get an audience, and they do that by making their broadcasts bright and interesting. Some of their assertions are so obviously absurd that they are laughable—and consequently millions of people turn on to Hamburg in order to get a good laugh. The huckster has got his audience. People prefer Hamburg to the dreary B B C. The next step is to instil doubt and to sap self-confidence. All the anomalies and stupidities and cruelties and injustices of capitalist democracy are caricatured. Information is given about events in Britain which is designed to show the omniscience of the German espionage system and thus to instil lack of confidence in our own counter-espionage. Criticisms of

British institutions, often by authors dead long ago, are reproduced faithfully. Garbled history stories are told, intended to get into people's minds the idea that 'Germany is only doing what Britain did before'. At this stage, the objective is to sap enthusiasm for the war and to create unwillingness to defend British institutions. If the idea can be planted in people's heads that the British social system is rotten, that the leadership is corrupt, that the sacrifices which will be asked are not worth-while, that Britain is as bad as anyone else, then Dr Goebbels and his allies in this country will be satisfied. They will then feel that when the war starts in earnest and when the grimmest possible national effort will be required to achieve victory, the will to win will be lacking. That is precisely how Hitler defeated the Weimar Republic, and it is how he hopes to defeat Britain.

DEUTSCHLAND UBER ALLES

Likewise, of course, propaganda to neutrals is a highly important weapon. Here again, the objective is straightforward. The main thing is to show that the Allies cannot win. Public opinion in neutral countries is almost unanimously favourable to Britain and France. If a poll were taken in any neutral country, one would probably find that 80% of neutral peoples—excluding Russia and Japan—wanted the Allies to win. The proportion, incidentally, is certainly far greater than it was in 1914. Dr Goebbels presumably realises this. He blackens Britain and France as far as possible, but that is not the basis of his propaganda. The centre of it is the proof that Germany will be successful, for he knows perfectly well that the small neutrals will not come in on the Allies' side unless they expect the Allies to win. Moreover, the European neutrals are already terrified of German armed power, and the greater that that armed power can be made to appear, the more unwilling will the neutrals be to protest against German infringements of their neutrality, and the more willing will they be to protest against British infringements.

Consequently, German propaganda activity in neutral countries is concentrated upon the subsidisation of pro-German organisations and the dissemination of the German version of the news. The neutral populations thus get the impression of continuous German military successes and Allied losses; the impression is created that the Allies are powerless to deal with Germany's armed strength; a steady pressure is brought to bear against the publication of any pro-Ally views. If any newspaper is so rash as to publish views which may be construed as being definitely pro-Ally, the pro-German organisations organise protests, and there may even be formal complaint from the German Ambassador. In this way, many neutral Governments have been badgered into making propaganda themselves for 'neutrality in thought as well

as in deed', although they themselves are terrified of Nazi invasion and although public opinion is overwhelmingly pro-Ally. The effect of this is to accentuate the difficulties of the British blockade, although everyone knows that British treatment of neutrals has been almost quixotically correct whereas the German submarine and mine campaigns have inflicted grim losses upon neutral shipping. Moreover, the virtual prohibition of anti-Nazi propaganda in these neutral countries seriously saps the neutrals' own will to defend their independence. If a population is allowed to become cynical and if its press is forced to adopt a negative editorial policy, entirely out of sympathy with the real views of the readership, then in a moment of danger it is exceedingly difficult to instil the necessary fighting morale into that population. The behaviour of Holland under pressure in the middle of November showed the danger which this sort of policy creates. German propaganda in neutral countries, in short, consists of a strengthening of all pro-German elements by subsidy, the creation of news-agencies for dissemination of pro-German military news and news of dissension and inefficiency in Allied countries, and a persistent insistence upon Germany's power and the Allies' weakness. The result is to frighten the neutral Governments into disapproval of published views in favour of the Allies and into 'moral neutrality', which again results in a weakening of the neutrals' own power of resistance to Germany.

GOOD BRITISH FUN AND FACT

This is what British propaganda is up against. How is the counter-campaign being conducted? What is the British line of policy; what is the British plan to combat Dr Goebbels? Our propaganda in Germany is a highly secret matter. The German broadcast has improved substantially since the beginning of the war. As for other propaganda, frankly very little is known. It must be emphasised, however, that until the British and French Governments make up their minds what they intend to do to Germany when the war is won, our propaganda in the enemy country cannot be positive and direct. In the meantime, the right policy is evidently to give the German people as much fun and fact as possible in order to get them to listen.

The difficulties of Allied propaganda in European neutral countries are very great. As we have seen, the neutral populations are overwhelmingly pro-Ally in sentiment, but their Governments and newspapers have been so terrified by the Nazis that they abstain where they can from printing pro-Ally articles and from taking a positive pro-Ally line. There are exceptions to this, of course, and occasionally remarkably outspoken articles appear. But normally it is difficult to influence them. This suggests first of all that the main British activity in these countries should consist of the provision of rapid and reliable news-service.

The neutrals tend to take the German interpretation of military happenings rather than the British, simply because they do not get the British interpretation in time. To provide such news-service is not difficult. It costs money, of course, and it means that the fighting Ministries here must release the facts as quickly as the Germans release their 'facts'. The provision of facilities for neutral journalists in London likewise costs money—more and cheaper telephone facilities are needed, and more and more news from the Services. Cocktail parties are no substitute for these; the sympathies of the neutral journalists have already been won, and what they want is news. Inside the neutral countries themselves, there is great need for the organisation of groups of pro-Ally citizens to protest to the newspapers against pro-German news and propaganda, and generally to act as centres of pro-Ally opinion. There are literally hundreds of distinguished men in neutral countries whose influence could be drawn into the struggle, and in countries in which the press is virtually debarred from making Allied propaganda—or indeed from criticising the Nazis—they could suggest all sorts of means by which the British case could be put across. As for written matter from London, there should be a stream of articles and pamphlets, the latter vividly illustrated and written by people who understand the language.

THE WILL TO WIN

The problem of policy is straightforward. The first aim must be to get across the idea that the Allies are strong and are making every sacrifice for victory. Impressed by the succession of Nazi successes, neutral opinion requires to be reassured that the Allies are now resisting Hitler with all their might, and that the war is going well for them. This is why it is so important that the British side of the news should be got across. Once the neutrals can be made to feel that Britain and France are seriously and desperately engaged upon war, and are putting every ounce of their strength into it, they will be encouraged to resist Hitler's demands. Incidentally, the policy of the strategic defensive makes it increasingly important that the neutrals should be convinced of the Allies' will to win. From the military point of view, it was probably correct for us to refrain from giving more positive assistance to Poland and from taking reprisals for the bombardment of Warsaw. But it can hardly be denied that the fate of Poland and the apparent lack of assistance from the west does not encourage neutrals to resist. Consequently, the whole objective of our propaganda must be to emphasise our military strength, to shout our determination and sacrifice, and to explain our policy of strategic defensive in order that the neutrals should understand that our inactivity is not caused by lack of determination or

strength but by our conception of the strategy of modern warfare. This must be linked, of course, with economic assistance for neutrals in order to release them from economic dependence upon Germany, but that is another story. Propaganda for democracy and the rights of man, with emphasis upon democratic achievements in peace-time, is hardly necessary in the neutral democracies, and elsewhere the value of democracy is likely to be measured primarily in terms of military success and economic assistance.

CHAMBERLAIN AND THE NATION

Lastly, what about the home front? This is indisputably the Government's greatest failure so far. No attempt has been made to take the public into its confidence, to explain what is happening, to elucidate the meaning of and necessity for the various controls, even to justify and defend the Government against its critics. In three months of war, there has been something like an economic revolution—and hardly a word of explanation has come from the Government. Take a question, for example, such as the commandeering of hotels and schools. The Government's case there is absolutely impregnable. It is overwhelming. But the tremendous arguments on the Government's side, which could have completely confuted the factious twitterings of the vested interests concerned, were never uttered. The public has been bewildered, and there has been no enlightenment. The Government has given the impression that it was acting as a rather incompetent dictator, and was rather ashamed of what it was doing. Moreover, no attempt has been made to reassure people, to show that everyone is wanted, to inspire men and women to sacrifice for our cause, and generally to lead a national effort for victory. This gives the greatest possible opportunity to Dr Goebbels, and also to British vested interests to resist attacks on their privileges.

The evidence suggests very strongly that the Government is frightened of arousing popular enthusiasm for the war, and that the Government feels that if it does create a powerful national effort that effort may sweep both Mr Chamberlain and Hitler away. The British Government, in fact, appears to have lost touch with the people. It does not want to make propaganda. It does not want to inspire enthusiasm. It does not want to appeal to the people's willingness to sacrifice and work. Consequently, it fails to take the people into its confidence and to enlist their positive co-operation and support.

For the home front, the machinery of propaganda is of relatively secondary importance to this. The Public Relations Departments of the Ministries and the Ministry of Information could do the job well enough, provided that the lead was given from above. Propaganda must be wielded as a weapon, both at home and abroad. But it cannot be wielded as a weapon if those who wield it have not the will to strike.

THE ALTERNATIVE TO KEYNES

Ian Bowen

Sir John Simon puts our rate of government expenditure on war and other services at £2,400 million a year ; or over £6.5 million a day. As there are some 15 million families in the country this may be taken as more than eight shillings per day per family ; 56s per week.

Or, if we measure government expenditure in terms of the weekly exchequer issues, deducting such transfer items as interest on debt, we see the great rise in average weekly expenditure (Table 1). In this table incidentally may perhaps be traced some of that dallying with rearmament for which appeasement was responsible till 1938.

1 GOVERNMENT EXPENDITURE 1934 TO 1939¹

Weekly Average in each quarter, £mn

<i>Year</i>	<i>1st qr</i>	<i>2nd qr</i>	<i>3rd qr</i>	<i>4th qr</i>
1934 ...	13.8	9.2	10.6	10.8
1935 ...	14.4	9.9	11.5	11.5
1936 ...	15.6	10.7	12.4	12.7
1937 ...	17.4	11.5	14.3	14.5
1938 ...	18.8	14.1	17.6	16.8
1939 ...	23.2	18.4	27.4	30.6 (to Nov. 25)

¹ Excludes interest and management of the National Debt ; includes expenditure out of Defence Loans.

The public has scarcely yet realised the magnitude of the sacrifices it will be forced to make. Mr Keynes has performed a great service (although his actual proposals may be open to criticism) in drawing attention to the reduction in consumption that may be required.

In the first two quarters of 1939 economic recovery hinged on our armament expenditure. Now the raid on the standard of life that is about to take place has to be carried out in the name of patriotism, but patriotism will not be enough. Social security, all hopes for the future, are profoundly dependent on the justice and acceptability of the fiscal measures that are adopted : the proposals as to direct taxation that are made below are subject

always to a balance being kept, and to a severe restriction on the expenditure of the rich as well as of other classes.

THE KEYNES PLAN

Mr Keynes writes that he sees 'much social justice' in his proposal of compulsory savings. He argues that 'it is only sensible to reward present effort out of future surplus capacity'. This can only have one of two possible meanings. The first and fallacious meaning, which will no doubt be put upon it by many readers however little Mr Keynes himself was guilty of the fallacy, is that somehow the war can be financed by loan (in this case a forced loan) and the burden thus be thrown on to the backs of future generations. But unfortunately this is not possible, or we could live very comfortably by anticipating the incomes of our great-great-grandchildren.

The second meaning, which perhaps Mr Keynes had in mind, was that since an actual increase in the standard of life is only possible after the war 'it is only sensible' to offer the working-man a piece of paper guaranteeing that he may share in the increase of output that may possibly take place in the post-war epoch. But the question must be asked: would not the working-man be entitled to share in the post-war expansion of output whether or not he possessed a small portion of the colossal number of I O U's that the State will have issued?

—AND THE WORKERS

The answer to this question is debatable, but I should like to submit the view that the working-man is not in the slightest degree better off for possessing the scrip that makes him a creditor of the state *de jure*, since politically and socially his interests are in any case dependent upon certain social policies being followed, and upon the national income being kept from falling.

There are two possibilities after the war is over, a boom or a slump. If in that period there is a tendency for a depression to begin it does not seem obvious from what 'surplus' of output the workers are to be rewarded. There will be shortages of materials and of capital equipment in many industries, together with a serious unemployment problem. The release of the saved spending-power will it is true mitigate the severity of such a depression, but is not likely to be a substitute for a vigorous economic policy, and there will not be a ready supply of wage-goods available.

The financial difficulties to which a compulsory savings scheme would give rise after the war were realised at once by the City Editor of *The Times*. He was rightly concerned with the financial

and technical problem to which the floating of a post-war loan solely to defray immediate consumption expenditure would give rise. Since the social consequences of this necessity would also be serious, the workers and the middle-class forced to subscribe to compulsory savings must look ahead and ask themselves what the likelihood is of the government being able to keep its promises.

A policy of bold expenditure out of loans in a post-war slump has much to recommend it. A government that was bold and unorthodox in its finance might be willing to embark on such a policy. But could it not more easily take the necessary strong measures if it had a relatively small deadweight debt already on its shoulders? If the war had been financed without recourse to Mr Keynes' scheme the workers might share in 'future surplus capacity' just as much as if they had coupons of savings. The loan expenditure to offset the slump could be made without further postponing certain titles to consumption. The social services could be expanded more rapidly the less the burden of debt.

In the case of a boom the workers might easily be forbidden to realise their savings for fear of inflation. Neither in boom nor slump do compulsory savings guarantee them any better position than they would otherwise enjoy. The workers' post-war fate depends on the policy then pursued. Are the rich more likely to submit to taxation when war and war profits are over? If not, the workers may perhaps bluntly ask, who is to honour the community's pledges except us ourselves? Is not our payment deferred for ever?

THE MIDDLE-CLASSES

How Mr Keynes' proposal would affect the middle-classes is best set out by accepting the higher of the rates that he originally proposed (the relative position would be similar if the lower rates were chosen, but for brevity one rate only will be used), and by looking at the figures.

From the accompanying table it will be seen how grossly regressive in effects were Mr Keynes' original rates of compulsory savings. In the case of the £500 a year man with three children the increased charge was £96 against £24 for the single man. Mr Keynes, however, consented to amend these rates to a flat 15%. In doing so he raised the amounts payable to £37 each for *all* classes of incomes at the £250 level. His attempt to improve social justice works to some extent—for the £500 to £1,000 incomes, but not for the £5 a week earners; and an improvement on a bad scheme is not necessarily a good scheme. It may be argued that this raises a minor question—how to adjust the graduation of assessments. But the difficulty is really one of principle.

2 COMPARISON OF INCIDENCE OF KEYNES PLAN AND INCOME TAX

Amount of Income	Status	Income Tax 1940-1	Compulsory Savings, according to proposal :—	
			(1)	(2)
250 	(a) ¹	28	20	37
	(b) ²	Nil	28	37
	(c) ³	Nil	22	37
500 	(a)	119	24	75
	(b)	27	93	75
	(c)	18	96	75
1,000 	(a)	307	57	150
	(b)	180	158	150
	(c)	162	168	150

¹ (a) is a single person with wholly unearned income.

² (b) married, with two children, and wholly earned income.

³ (c) married, with three children, and wholly earned income.

If a currently high tax—high because of adjustments worked out over many years to secure social justice—is equally as deductible as a relatively low tax¹ it naturally follows that the scheme irons out most of the social justice implicit in the existing income tax. Or to put it simply, those who are least able to pay are deliberately to be mulcted the most severely.

SOME ARGUMENTS

To this there might be two replies (1) that it is precisely the intention to take from him that hath not, since it is those incomes that now pay too little. This reply is specious and sophistical. It may be necessary to cut down the expenditure of some of those who can ill afford it, but it cannot simultaneously be necessary not to cut down the expenditure of those that can.

The second Keynesian reply might be (2) that savings not taxes are being collected, and that men with families etc. should be willing to save more. This second reply shows how wrong the scheme is fundamentally; for if mercy is granted to the poorer middle-class, it can only be done by strengthening the rentier position of the rich. The difficulty is thus one of a vicious principle, not merely of the particular arithmetical rates that are chosen. It flows from the fact that it is a scheme to force a loan on the people, and this must be more unjust in its effects than a tax would be. With a tax unfair relative hardship can be eased by adopting different scales for different cases; under a loan system this is impossible, since what the Government takes with one hand it promises to give back with the other.

Mr Keynes' amendment of his rates to a flat level of 15%.

does not improve matters *after* the war, and incidentally makes those at the £5 a week incomes worse off than under the first proposal.

THE REAL PROBLEM

Strictly speaking there exists no problem of war finance. The war will not come to a standstill through lack of funds on either side ; for as Mr Keynes used to point out a little while ago an increase in a Government deficit must by definition increase national savings, since savings are the difference between incomes and consumption.

What then is the real financial problem of the war ? There are in effect two kinds of problem : the first, to attain social security and social justice to the greatest degree possible, so that our war finance does not hamstring the nation in a welter of class-recriminations ; the second to distribute our ultimately limited man-power (and materials) simply and efficiently to their proper tasks.

Government deficits create savings automatically ; but the price-level may leap up with a happy-go-lucky increase of expenditure. This is unfortunate for persons with fixed money incomes ; at the other extreme it makes those whose incomes rise most better off relatively to the rest. In fact an individual's position depends on the relative change of his money income to that of his fellows.

For in any case total consumption will be reduced by the shortage of materials and of labour. To secure social justice rationing is the only remedy ; if rationing were applied to all the main necessities of life, the prices of all articles not so included might be left to themselves—to rise and thus check their consumption.

Another essential for justice and security is to prevent the utter ruin of those living on fixed incomes of one kind or another ; pensioners, retired persons and officials—and to prevent the value of existing money savings from a serious decline. This, as well as the interest of the wage-earners (who can demand higher wages with success in time of war) is an important consideration.

For the sake of the rentiers and the small savers, potential dupes of a Fascist movement, prices must not be allowed to soar too rapidly ; nor on the other hand must the wealth and influence of persons entering this class be allowed to swell unnecessarily. In times of war there are always hardships ; and the savings of the small man drift by a well-known law of increasing monopoly into the hands of the few. The inequality of wealth increases, and this tendency towards a society of post-war *nouveaux riches* and new poor has to be mitigated in advance. Hence Government borrowing should be kept as low as is humanly possible.

SOLUTION BY TAXATION

This leaves only one alternative—taxation. There is much too much pessimism in the air on the possibilities of a substantial increase in our taxes. Once the fundamental truth is grasped that taxes or no taxes we are paying for the war as we go—'borrowing from the future' is only an illusion—then agreement may be reached that taxes have less disastrous social repercussions than loans. Let us first look at the financial sacrifices, and possible yield involved in raising the income-tax at once to 12s 6d in the £, assuming that the scale of allowances were slightly modified.

A single man with a wholly unearned income of £250 would have to pay £31 instead of £28 (as at 1940-41 rates); at £500 he would pay £181; and at £1,000, £493. A married man with three children and an earned income would pay at the £250, £500 and £1,000 levels nil, £20 and £252 respectively.¹

For the man with earned income and a family these rates compare very favourably with Mr Keynes' compulsory savings' rates, which on either or any of his plans exceeded them considerably. (Unless we accept Mr. Keynes' final suggestion that the taxpayer could pay 25% of his flat 15% rate of compulsory savings as taxes; which seems a very long way round to raising taxes by about 4% of incomes.)

The great load of debt to which compulsory savings, or any alternative to increased taxation must *pro tanto* give rise would be wiped off from the list of post-war social headaches. If in addition to income-tax, an annual levy on capital, payable in shares but not in cash, were made, the rich could certainly be held to have made their contribution. By paying in shares all the difficulty of liquidity would be avoided; shares held would have to be registered on a particular day, and a certain percentage of them taken over by the Government, which would arrange its portfolios acquired in proportion to individual holdings. The Government would thus receive back 100% of the profits on a percentage of industrial companies. It would not necessarily interfere in any way with the running of the companies, any more than the Public Trustee does in a like situation. After the war it could, if it were held to be desirable, raise funds by selling back these shares to the public; and no doubt would abolish the levy as soon as possible.

With such schemes as this in force² it would be socially possible in addition to raise a weekly direct tax (for the duration of the war) from wage-earners. Nothing would be administratively

¹ These rates perhaps err on the side of causing hardship to the unmarried, but might be re-scaled without difficulty.

² Accompanied by a strict control and rationing of the prime necessities of life.

easier to collect than an additional stamp or so on the insurance cards.¹

These proposals might not avoid a rise of prices ; they would, however, with complete certainty avert a runaway inflation. Compulsory savings, on the other hand, would not avoid inflation ; there are over £1,000 millions of existing post office savings alone which could be released if persons not otherwise willing to save were compelled to do so.

Taxation, combined with a controlled inflation, is undoubtedly unpleasant but may be the lesser evil ; it is easier to explain and to understand, it is not compromised by ambiguous promises, and it makes a fair distribution of the burden easier to secure.

Social justice is easier served by taxation than by a forced loan. Even Charles I had to learn this lesson.

¹ The assets required in the Unemployment or other Fund might conceivably be earmarked for social services after the war—once more a promise, but a more easily understandable one. Yet another alternative might be to permit trades-unionists to pay their wage-tax into a blocked Trade Union fund, to be used for gilt-edged investment during the war, but under the free control of the unions afterwards.

BESSARABIA

Hon. Barbara Buckmaster

If Russia makes a drive in the Balkans, as it is suggested she may after settling with Finland, her route would lie through her former province Bessarabia. It may then be of some interest to discuss present conditions in that province, which celebrates this month the twenty-second anniversary of its liberation from Czarism. Bessarabia, which covers 17,614 square miles, is almost completely enclosed by the Dniester, the Black Sea, the Danube and the Pruth. Only in the north west is there a strip of land frontier about 30 miles long between the Pruth and the Dniester, where Bessarabia touches the former Austrian and now Rumanian province of Bukovina. Now that the Russians have marched into Poland the 20 miles of common frontier with Polish Galicia along the Dniester have disappeared, and Russia has become Bessarabia's sole foreign neighbour.

HOW RUMANIA REGAINED POSSESSION

The province had always been an integral part of the Principality of Moldavia, sharing its political vicissitudes, until it was ceded separately to Russia by the Porte in 1812. Russia then ruled Bessarabia continuously until 1917, with the exception of the three southern districts of Ismail, Cahul and Bolgrad, which she was forced to return to Moldavia in 1856 after defeat in the Crimean War, and which she insisted on retaking in 1878 at the Congress of Berlin, although Rumania had recently fought as her ally against the Turks at Plevna.

Bessarabian troops fought by the side of Moldavians across the Pruth during the War, which stimulated their sense of nationality, but the province took no direct part in the Russian revolution of February 1917, and settled down quietly under the Provisional Government. Later, when an Independent Council (Radia) of the Ukraine was set up in Odessa, there was some talk of incorporating Bessarabia, but this was dropped. In October 1917 a National Constituent Assembly (Sfatul Tsarii) was elected at Chişinau, which expressed a wish to join the Federation of Russian Republics. Accordingly, on 2 December 1917 an autonomous Moldavian Federative Republic was proclaimed between the Pruth and the Dniester. The decision of the Ukrainian Radia at Odessa to stand out from the Russian Union made the position of the new Republic difficult, as it was cut off by the Ukraine from Russia. On January 24th 1918 the Moldavian Republic followed the Ukrainian example and declared itself independent. This

was obviously an impossible position ; there was no Treasury or Bank of Issue in the country, and no salaries could be paid or necessary works carried out. Meanwhile, great disorder was being spread by wandering bands of undisciplined Russian troops, and the Sfatul Tsarii finally decided to call in the Rumanian army from Jassy. Complete union with Rumania was proclaimed on 27 March 1918. The Act of Union was recognised by the Allies in 1920, with the exception of Italy and Japan ; Italy withheld recognition until 1926, and Japan has not yet accorded it.

RELATIONS WITH THE U S S R

Russia has never formally admitted the Rumanian title to Bessarabia, and the province still figures on Soviet maps as 'in Rumanian military occupation'. In the early years after the War there were frontier incidents and quite a serious Communist rising took place in the south at Tatar Bunar.

After Titulescu's promotion to the Rumanian Foreign Office relations with Russia began to improve. With the signing by both countries in 1933 of the Conventions of London, defining the aggressor, Russia's entry into the League in 1934, and the exchange of letters between Titulescu and Litvinov later that year, most people regarded the Bessarabian question as settled. Unfortunately, after the fall of Titulescu the Russo-Rumanian rapprochement was not carried to completion.

In the September crisis of 1938 the Rumanians were reluctant to agree that the Russian troops should cross Bessarabia to come to the aid of Czechoslovakia, lest they should remain, but the general opinion in Bucharest was that the troops would have been let through and that Rumania would have fulfilled her obligations to Czechoslovakia by the side of Russia. The strong probability is that Russia would not have attempted to retain Bessarabia in those circumstances ; her friendship with Turkey makes it much less vital for her to push down towards the Straits than it was in Czarist days, and the German advance to the south east would have been stemmed had Czechoslovakia been supported.

After Munich, however, these considerations could no longer apply, and now that Russian troops are already in the Polish Ukraine, the fate of Bessarabia may once more be in the balance.

VALUE

What is the value of Bessarabia to Russia and to Rumania, and what did the people themselves gain or lose by the 1918 settlement ?

Russia lost a granary, orchard and vineyard, half a million or more Slav subjects and her access to the Danube. Rumania had a million and a half Moldavians restored to her, secured control

of all the Danube mouths and gained a substantial addition to her agricultural resources. Bessarabia contains 26% of the total arable of Greater Rumania and produces 35% of her wine. (Bessarabian wine production was over half that of the total Russian output before the War.)

POPULATION

The population of nearly 3,000,000 is made up as follows, according to the Rumanian census of 1930: Moldavians 1,610,757, Russians 351,912, Bulgars 164,726 (Bulgarian estimates give 350,000 as the figure), Ukrainians 314,211, Germans 81,000. The rest of the total is made up by the Jews—204,858 was the 1930 figure and their numbers are constantly increasing through illegal immigration, so that they are now one-tenth of the whole population—and by a few Tartars and Armenians in the south. Estimates varied widely, the Russians asserting that the Moldavians were only 47% of the total population in 1917, and the Rumanians giving 70% as the figure.

The Moldavians form a fairly solid bloc in the centre of the province, and there are even some 400,000 of them across the Dniester in Soviet territory. Russia set up an autonomous Moldavian Soviet Republic in the Ukraine as an example to those across the water, but rumour has it that these Moldavians have recently been transported to Siberia, and that their place on the Dniester has been filled by Great Russians. This is impossible to prove, as communication across the river is practically non-existent.

The Russian community consists of landowners, former officers and officials and intelligentsia, with in the south a number of Lipovans or Old Believers who fled from Russia in the 18th century to escape religious persecution, and who are now mostly engaged in fishing in the Danube delta.

The Ukrainians are almost entirely peasants, and are the poorest and most backward of all Bessarabian communities. They are mostly concentrated in the north, adjoining their fellow nationals in Bukovina, Galicia and the Ukraine proper, though there are a good many Ukrainian villages in the south, interspersed among the settlements of the German, Swiss and Bulgarian colonists. In this southern part of Bessarabia the Moldavians are distinctly in a minority.

In the neighbourhood of Bolgrad are large settlements of Bulgars who came in at the beginning of the nineteenth century into a country left empty by the departure of the Tartars and made it prosperous. They have now 72 colonies. The German colonists came mostly from Württemberg, and were invited to develop the country along with some Swiss from the Canton de Vaud in the opening years of Russian rule.

The Jews live almost entirely in the towns, and are said to

form over 50% of the population of Chisinau. Practically the whole trade of the province is in their hands.

No plebiscite was taken in 1918 as the Russians would have wished, but there seems no doubt that the Moldavians, whose national culture had been neglected or suppressed by Russia, enthusiastically welcomed reunion with their fellow countrymen and all the communities probably hoped for something good from the change. The non-Moldavians would have preferred Russia to Rumania, but preferred Rumania to communism.

LAND REFORM

Some disillusionment has been felt during the twenty difficult years of adjustment that have followed on union.

The land reform has been a major source of grievance to the Russian and Rumanian landowners. Reform was inevitable. The province had spent nearly a year under semi-communism, and the Rumanian government was merely carrying out a measure already voted by the Sfatul Tsarii. Though the reform was less thorough than that originally proposed it allotted a more generous allowance to the peasants than the agrarian measure for the Old Kingdom and took more from the landowners. The peasants were to receive a maximum of eight hectares, instead of five as in the Regat, and the landowners were only allowed to keep one property of 100 hectares and had to surrender forests. In the Regat, boyars could keep up to 500 hectares on each of their estates, and forests were largely exempt from expropriation. The landowners felt that having voted for union with Rumania they should receive exactly the same treatment as the Regat boyars. The government naturally did not fail to point out that had they remained with Russia they would not have had even 100 hectares left, but the obvious justice of this argument has not prevented grumbling. The peasants were not wholly satisfied either, as they realised that they were getting less than had originally been promised.

Some of the minorities, particularly the Bulgarians, felt that the reform operated unfairly, 252,536 Moldavian peasants being resettled against 94,480 of other nationalities. This charge was probably not justified, as the Moldavian peasants were in greater need of land, having been less favourably treated under the Czars than the Bulgarian and German minorities, who enjoyed special privileges.

The reform was an important and long overdue measure of social justice, and many of the criticisms of it were captious, but it is indisputable that the change from large scale to small scale production lowered the yield of wheat per hectare in Bessarabia as in the rest of Rumania. As a result of the fallen yield, the area

under wheat has been extended, which has checked the advance in stock-raising and increased the danger of drought and soil erosion.

COLLAPSE OF TRADE

Problems arising out of the land reform might in the end have been solved by an extension of the co-operative movement with which a beginning had been made, but the real disaster affecting all communities alike has been the collapse of trade. Russia was said to have exploited Bessarabia, and she did cut the timber ruthlessly and unscientifically, but she absorbed all the Bessarabian fruit and wine and corn. Rumania produces all these things herself, her internal market is comparatively small, and she has to find foreign buyers for her own surplus agricultural production. Trade between Rumania and Russia has ceased since the war. Poland, or possibly the Scandinavian countries, might have provided a small alternative market, but such trade needs financing and no finance was forthcoming. Germany is at present the chief buyer, but she has not much to spend on fruit and wine.

Even if markets could be found, trade is blocked by lack of transport. All the railways were directed eastwards towards Russia, while only one line links the Bessarabian centres with the Rumanian Danube ports. Further, in Russian days most of the goods were carried down the Dniester and on by sea to Odessa—20,000 truck loads used to go down the river every year before the war and now for 20 years it has been closed to all traffic. The roads are in an appalling state. There is not one modern highway in the whole of Bessarabia; most of the roads are mere tracks, impassable in the rainy season. In the autumn of 1936, 1,300 truck loads of apples rotted at Chițcani, the great Bessarabian fruit centre, for lack of 12 kilometres of proper road to the rail-head at Tighina. This meant a dead loss of 50,000,000 lei. And the railways, once reached, are excessively costly. A waggon load of 5,000–6,000 kilograms of grapes, destined for Germany, which only realises 12,000–15,000 lei on the spot, costs 20,000 lei to carry only as far as Czortow, just over the border in Poland.

ECONOMIC AND SOCIAL DISTRESS

Capital is needed not only for financing trade and building roads, but for irrigation and afforestation schemes. Soil erosion is proceeding fast; droughts are of frequent occurrence, and there have been two serious famines in the territory since the war. The frost of 1929 killed the vines of many of the formerly prosperous German and Swiss colonists in the south, and there has been no capital available to replace them. The result of all this is bitter poverty in all sections of the community. It is true that the

peasants are glad to be small holders and would dislike compulsory collectivisation, but they must sometimes notice from their ill-lit cottages the blaze of electric light from the kolkhozes across the Dniester. On the other hand, against the allurements of electricity must be set the stories told by starving Ukrainians who smuggle themselves over the Dniester into Rumania.

Social deprivation is added to economic distress. A town of 130,000 inhabitants cannot provide adequate social and intellectual life on its own, and Chişinau is now cut off from its natural centre, Odessa, which used to be only three or four hours' journey away, and is now wholly inaccessible. Cetatea Alba is even worse off, for Odessa was quite a short journey—in summer a pleasant boating trip across the liman, and in winter a sledge ride over the ice. It takes 12 hours to get to Bucharest from Chişinau, and more from Cetatea Alba.

LANGUAGE

The government has not made a difficult situation easier by a strict prohibition of the use of Russian. The German and Hungarian communities of Transylvania have their own newspapers and their own schools, but in Bessarabia there are no schools where Russian is the medium of instruction; it is difficult to buy a Russian book or newspaper of any sort in Chişinau. Old Slavonic has been banned from all the churches and this is resented as much by the Bulgarian community as by the Russian. The Bulgarians have no schools either, and complain of the Rumanisation of their lycée at Bolgrad.¹ The German colonists too have lost their schools. Recently, however, these restrictions have been somewhat relaxed.

POLITICS

Rumanian policy in Bessarabia has varied according to the political party in power. Had the National Peasants remained in office, it is certain that something would have been done for Bessarabian agriculture, and they would never have enforced stringent language regulations. The neglect from which the province suffered was largely due to the long spells of office of the Liberal Party, which concentrated on centralisation and the development of industry at the expense of agriculture.

Some of the severity dates from immediately after the war, when fear of communism was rife, and some from the recent

¹ NOTE.—It must be remembered that the use of Russian was compulsory under the Czarist government and that no schools were provided for the Moldavian population. The Rumanian prohibition of Russian is less serious, as the people whom it affects are not likely to be left illiterate as a result.

agitation in the country owing to Iron Guard activity. Iron Guard propaganda made considerable headway in Bessarabia, and the pro-German aspect of it was popular. The younger generation are becoming rapidly Rumanised (one boy whose parents were Russian said he was trying to forget all his Russian as it spoiled his Rumanian accent) and turn most naturally to the Fascist parties of Rumania, though finding their difficult path in Chişinau blocked on all sides by Jews. Italian propaganda also is having a great success in the town. The Italian Institute is the handsomest new building in the place, and people flock there to learn the language.

But for the Iron Guard terror conditions might have improved recently. King Carol's government is keenly alive to the needs of the countryside and favours decentralisation. Bessarabia has been shared out between four of the ten new districts into which Rumania has been divided. This will help to break down the isolation.

Of Rumania's ethnic and historic claims to the Province there can be no doubt, and the economic maladjustment need only be temporary. There remains the too familiar danger of the competitive drive of Teuton and Slav towards the Black Sea and the Danube mouths.

THE WASTE LANDS OF BRITAIN

Arthur Smith

In comparing the use that is made of the land of Great Britain with the amount of food imported into the country a great discrepancy is revealed. In 1937 we imported one and a half times as much livestock, milk and dairy produce, five times as much grain, and one and a half times as much fodder and concentrates for cattle as we produced at home. In the same year nearly 30% of the nation's land area produced scarcely anything of public value, and was and still remains practically waste land, or as an agriculturist would prefer to call it, non-farming land. Composed of mountain, moor, heath, down and common, it occupies 16,250 square miles of Scotland and 8,750 square miles of England and Wales. As may be expected from its description, in England the greater part is found in the Pennine counties from Derbyshire to the Scottish border, although every county has a portion, and in the west of England—in the six counties from Hampshire to Cornwall—there is a block of non-farming land exceeding the entire area of Cornwall. Over one third of Wales consists of non-farming land distributed throughout the country, and in Scotland, whilst the deer forests comprise most of such land, there are large areas outside them, notably in Argyll, Perth and Sutherland. The waste or non-farming land in Scotland is far from being confined to the Highlands, for it occupies nearly three-quarters of two Lowland counties, more than half of six others, and nearly half of two others. The total area which it occupies in the Lowlands is 4,000 square miles.

The totals given exclude towns, cities and suburbia; roads, buildings and railways; timber forests and woodlands. They include ancient deer forests such as the great Peak Forest of Derbyshire; parks formerly used for deer preservation, like Lyme Park in Cheshire and the parks of the Cliffords near Skipton—Skipton, Barden and Bolton parks; chases like the vast Langstrothdale Chase in NW Yorkshire straddling the sources of the Wharfe and Ribble. Every conceivable type of land is embraced in the non-farming land—table lands and river basins; downs and heaths; steep hillsides and valley bottoms; craggy mountain tops and levels almost as flat as plains. In the Highlands of Scotland, in the heart of the deer forests, there are actually areas sufficiently extensive and level to house the County and City of London. It might be thought ridiculous to contemplate even

for one moment the reclamation of such areas, but that is only because during the past century large scale adventure has vanished from British agriculture; there was a time when such schemes called forth the boldest spirits to undertake them. When the Elizabethans in 1601 set out to recover the marshes of the Isle of Ely, and of the Counties of Cambridgeshire, Huntingdonshire, Northants, Lincoln, Norfolk, Suffolk, Sussex, Essex, Kent and Durham, they were tackling obstacles quite as difficult to them as Rannoch Moor would be to us. Today the marshes they re-claimed are smiling corn fields.

USE OF NON-FARMING LAND

Unlike agricultural land, non-farming land has a duality of ownership, part being in individual occupation, part being common land. Yorkshire heads the list of English Counties having un-enclosed commons, with a total of 500 square miles, whilst five others have over 100 square miles each. The whole of the 25,000 square miles of non-farming land at the present time is devoted to game, rough and hill grazings, game—especially deer and grouse—predominating, and in many places land is used for both game and grazing, grazing however of a kind scarcely warranting inclusion as farm land, never having seen a plough, harrow or fertilizer. Indeed, to call this land grazing land is an abuse of language, for the paucity of its product suggests that it has only been returned as such in order to obtain the benefit of the agricultural derating acts, and furnishes the very minimum of produce that entitles it to inclusion. The character of non-farming land varies tremendously—from wedges of peat anything up to 40 feet in thickness, like the top of Kinder Scout in Derbyshire, to hill slopes with excellent natural drainage that with equal attention would give a return as good as that of the finest meadows and pastures that can be found anywhere. There is little difference between much non-farming land and the permanent grass land of which it is the Government's aim to plough up $1\frac{1}{2}$ million acres, there being permanent grass lands in Lincolnshire and other eastern counties not a whit better than the non-farming lands, the slopes of the English Pennines or the deer forests of Ross and Cromarty. All of which suggests that it is largely fortuitous whether land is returned as permanent grass or rough grazing (non-farming) land. As to the contour of the land and its average altitude, non-farming land knows no such definitions, for it is found on all contours from sea level to the top of Ben Nevis.

A THREE YEAR PLAN

The harnessing of the resources of non-farming land in the

present war emergency ought to be made part of a three year agricultural plan—a plan to span the three years estimated by the Government as being the war's duration. These resources consist in the production of cattle, sheep, lambs, milk, cheese, butter, bacon and wool. In the centuries of subsistence farming preceding commercial farming, all the present day non-farming land—except the inaccessible and foundrous mountain tops—has furnished its quota of produce. The ruined farmsteads in England and Wales, and even in the Scottish deer forests, testify to this; the ring fence or wall that, circling ridges and plateaux at a contour of 1,500 to 2,500 feet, giving to hills the appearance of a dark bonnet on a light green hill or mountain side, reveals the limits to which farming anciently proceeded; whilst vertical undulations on hillsides often reveal an obsolete strip cultivation rapidly reverting to scrub. During the debates on the Caledonian Power Bill in the House of Commons, one of the supporters of the Bill, in decrying the idea of cultivating land in the deer forests of the Highlands, said that we might as reasonably expect to grow hair on pavements as to grow crops on the stony soil of the Highlands. But it is easy to disprove this notion. In *Deer and Deer Forests of Scotland*, which was written to attract prospective tenants of deer forests, McConnochie tells of many forests that have excellent pasturage, whilst for the Forest of Cluanie—a terrain of five square miles in the heart of mountains as high as Snowdon, 20 miles beyond the Caledonian Canal—he claims that the pasture cannot be surpassed anywhere. In another forest of Ross and Cromarty, the Forest of Freewater in Glen More, over a century ago the hills were let for cattle grazing at 18d per head for four months of the year—as high a rent as was then obtainable on some of the dairy lands of Cheshire. Land that will sustain deer will feed cattle and sheep; just as huge forests of Scots Pines that are characteristic of the Highlands have been produced, so can crops be grown that are necessary to sustain us in this emergency.

CORN

In addition to the crops of hay and pasturage for sheep and cattle, many of the Scottish glens and mountain slopes and the valleys and hills of England and Wales will furnish quickly maturing spring corn—barley, oats, beans or peas—which in the age of subsistence farming preceding the era of commercial farming they produced in abundance. Wheat and rye, autumn sown corn, could not be grown because those crops require long periods of uninterrupted sunshine and a long growing season. Nevertheless sheep, cattle and pigs; milk, butter, cheese, meat, skins, wool and hides could be produced in large quantities.

CATTLE AND SHEEP

In 1937 Great Britain imported in live animals and meat the equivalent of 811 million lbs of mutton and lamb, and a clip of wool weighing 1,640 million lbs. Supposing that the non-farming lands of the country were put to the test, how much of those quantities could they furnish? It has been estimated by Sir George Stapledon that the 20,000 square miles lying below the 1,500 feet mark could be utilised for this purpose, with a rider that as the pastures of Switzerland are utilised up to a contour of 6,000 feet, it might be equally practicable to obtain the benefit from British hill lands to a height of 2,000 feet. Assuming further that full advantage were taken of scientific progress in soil fertilization, grass drying and ensilage, it ought to be possible to raise on the non-farming lands of the country 475 million lbs of mutton and lamb, and 27 million lbs of wool. If to that total be added the contribution that the conversion of the permanent grass land into temporary grass could make, either doubling the present home production of cattle, calves and milk; or by grass drying, making our meat and dairy industry independent of imported foods, concentrates etc., a very substantial improvement would be made in the stability and sufficiency of the food supply in directions where it is most needed. In 1937, Sir Daniel Hall said that, granted a sufficiency of dried young grass, the British farm can become self-supporting for milk or meat production all the year round, and this applies equally to the 20,000 square miles of present day non-farming land when they are brought into use. In my own neighbourhood in Cheshire, a farmer was established in an ancient deer park, putting on to the land allotted to him the amount of stock that would have been normal according to the custom of the district, and in six years he trebled his stock; elsewhere on a farm in hill country on the border of Derbyshire, the land being similar to the grouse moors of that county, the farmer by use of the methods recommended above made a profit where the previous three tenants had become bankrupts; in a purely moorland area, on land formerly used for nothing but shooting, a community is gradually ploughing the whole of their estate, admittedly a difficult procedure, producing only one acre of ploughland a day with a tractor, but they are doing it, and when finished this laborious work will not need to be repeated in subsequent years. One of the most important features of this work is that whilst the hill and mountain slopes are required for summer pasturage, the valley bottoms are necessary to provide wintering for the sheep and also, being the richest land on the hill farm, capable of raising the best crops. That is one reason why it would have been a great mistake for the Caledonian Bill to have gone through, for by robbing the area concerned of its finest land and of its wintering for the stock, for agricultural

purposes the whole of the vast area covered by the Bill would have been rendered incapable of future use.

A MINISTRY OF LANDS

A Ministry of Lands is an urgent necessity for the above purposes, for the departments that already exist—the Forestry Commission, the Crown Lands Commission, and the Ministry of Agriculture, in England and Wales, and the Scottish Department of Agriculture—are not of the type to carry out the functions required; the Forestry and Crown Lands Commissions being limited to the administration of particular areas and only indirectly responsible to Parliament, whilst the Ministry of Agriculture is primarily concerned with the operations of agriculture, and only secondarily with the questions of tenure that would become of equal importance. A Scottish Ministry of Lands might be desirable to deal with the special questions affecting Scotland.

The Ministries of Lands would first acquire all waste grounds other than common lands by purchasing all rough and hill grazings, grouse moors, deer forests and other sporting properties at the values at which they were rated to the land tax in 1938. Then the rural commons would be transferred to them to hold in trust for the benefit of the commoners, the people of the neighbourhood and for the nation at large. Afterwards a speedy survey of the whole of the above land and its resources would be made with the assistance of the recently formed county agricultural committees, the officers and staffs of the experimental stations at Rothamsted, Aberystwyth, Aberdeen and elsewhere, and of the records of the Land Utilization Survey of Great Britain directed some years ago by Dr. L. Dudley Stamp. Land set apart for forestry and other non-agricultural purposes would be developed by the Ministry of Lands, through their departments of forestry etc, but lands intended for agriculture would be assigned to and developed by the Ministry of Agriculture (in Scotland by the Department of Agriculture) and farmed by tenant farmers under the Ministry's direction where land is already in occupation, and by collective farms where at present the land is used solely or mainly for game preservation. On common lands, the rights of commoners would be preserved by granting them a proportion of the improved land or if they preferred they could have financial compensation for their rights. Areas where roads and other communications, drainage and farmhouses or shooting lodges convertible into farmhouses already exist would be the first to be developed; other places where such facilities are scanty would await later attention. In all areas, regard would be had to the subsequent use of the land in peace time, land that was too rocky for agriculture or forestry being assigned to future use as open spaces for the recreation and enjoyment of the people. This

would include all mountain tops and all land above 2,000 feet above sea level, and therefore the major portion of the land to which the ramblers of the north of England and of Scotland have been striving for over 50 years to obtain access.

THE LAND FOR THE PEOPLE

The results of this enterprise would be incalculable in their benefit to the nation. For the first time we should obtain the immense product of a tract of land occupying one third of the country's surface ; for the first time this vast area would be put to the public service ; for the first time the Crown Lands and Forestry Commissions would be made directly responsible to Parliament. For the first time it would be possible for a public authority, the Ministry of Lands (or Parliament through the Ministry) to say to anyone wishing to use any of the land in that enormous area in a way detrimental to public interests or amenities : you shall not do it. That, together with the power to have desirable things carried out, in the eyes of the Councils for the Preservation of Rural England, Scotland and Wales, may well be regarded by them as the very incarnation of their highest aim. Any land which after the conclusion of peace was desirable to be added to that held for public recreation and enjoyment could be easily transferred to those uses. The common lands would be vested in a public authority to be used on behalf of the public—a veritable crowning of the work of the Commons' Society—and there would be a plasticity in the use of land in Britain which has never been known before, and in time of peace would be productive of great prosperity.

COMMUNIST POLICY

A Reply to Arnold-Forster

Ivor Montagu

In the autumn *Fabian Quarterly* Mr Arnold-Forster dismisses Communist opposition to the continuation of the war as a view taken either in tame obedience to directions from Moscow or under the impression that all can now safely be left to Comrade Stalin.

This just won't do. Communists, flesh-and-blood ones whom everybody knows, in China, in Spain, underground in Fascist countries and, for that matter, among the toughest and most active in working class struggles in Britain, just don't fit into that picture.

What then are they after? What is the root of their struggle against the war?

THE LABOUR VIEW

The answer is contained in the answers given by Labour and Liberal minded speakers as the basis for *their* support for the war. Socialists are not absolute pacifists. Socialists regard as just a war which will result in a progressive development in the interest of the working class.

This is correct. But what progressive result is awaited from the war of 1939? I have listened to Labour speakers and read carefully their articles. Self-determination for Poles, Czechs, Austrians, Germans. Ending of aggression. Some sort of collective system providing for abrogation of unlimited sovereignty or for third-party judgment in international affairs.

But never a word about the fact that the *strongest* opponent of all these things is the British National Government. That therefore they cannot possibly be realised by a Chamberlain-Daladier victory, but only by the defeat of the British Government among other forces.

Everybody knows this. Some Socialists admit they know it, but, like Mr Herbert Morrison over the wireless recently, they go on wringing our hearts about the new justices that are to be a return to humanity for its sacrifices for victory won.

In other words—British and French peoples! struggle and die; neutrals! suffer; Germans! starve and surrender, yield yourselves to the will of Chamberlain-Daladier; and then we will try to get Chamberlain-Daladier to agree to hold an election in circumstances in which we will win. We will then ask them to surrender their just achieved all-power to us, and finally we will arrange a peace for your benefit.

THE SNAGS

And if not? If we lose the khaki election or if they don't

hold it at all? If Chamberlain-Daladier split up Germany, drown in blood the workers who overthrow Hitler for them, set up Goerings and Strassers and Hapsburgs and Sikorskis, re-impose Versailles fetters, bringing the neutrals under the yoke of a Gamelin-Churchill international police system entitled 'Federal Union', hand over the Balkans to Mussolini and China to Japan as the secret treaty price of their 'benevolence'?—all of which things they are manifestly already arranging to do in face of the placid, or at least tacit, assent of us Labour leaders and Liberals—why then, if this happens, O deluded peoples of the world, we will do our best for you, we will hold a meeting and pass a resolution calling Chamberlain and Daladier cads.

THE WAR ON TWO FRONTS WON'T WORK

We Communists made a mistake. When on September 2 we enunciated the policy of the 'war on two fronts' we thought it was possible to point out all this, to support the war against German imperialist reaction, while at the same time exposing and weakening British imperialism, which has built German reaction to a menace, and seeks, not to destroy it in the interest of progress, but to make it subservient.

Our ear is close not to telephone wires from international mystery cities, but to the British working class, to factories and to homes, and it did not take many days' practical experience of this policy to teach us that it just wouldn't work. Support for the war led by the National Government, daily developing in the direction of its imperialist aims, inevitably objectively strengthened the Government and the class that rules through it, weakened the working class in its resistance to the ruling class, which was demanding sacrifices of conditions, sacrifices of rights and safeguards, and for what? For alleged aims that could never be realised without the defeat of the enemy class that these sacrifices would strengthen.

THE WAR ON ONE FRONT IS WORSE

But what shall we say of those who do not even denounce? Tameness, I suppose, is a matter of viewpoint. But there is a real pussycat purr about those who, for war purposes, talk of freeing Czechoslovakia and Poland (and now Finland) without a word about Albania and Abyssinia; those who, for war purposes, remain silent about the French assassination of democracy, about the overtures to Franco, the bribes to Turkey, the secret promises to Mussolini, the pledged aid to Japan; those who, for war purposes, call Baron Mannerheim a liberator; praise as a democracy a country whose 'labour movement' depends on acquiescence in slaughter and imprisonment of Communists, liquidation of unions that elect militant officials, labour conscription, a White Guard-Fascist army, and a judiciary guilty of the greatest judicial crime

since Tom Mooney ; and describe as an independent State a State dependent on the subsidy of a favourable British trade balance, and with its armed forces trained by the British military.

I have heard many Liberal supporters of the war speak of India. Mr. Arnold-Forster said : ' This is an acid test of our democratic professions.' Yet now the Commons debate is done, and the Government has not yielded (really, did anyone expect it to yield ?) an inch, are the Labour leaders and the Liberals drawing the conclusion from their acid test, and warning the peoples of the world that democracy has nothing to gain from Chamberlain ? ' Our,' in Arnold-Forster's test, applies I am afraid not to the British Government alone, but also to the democratic professions of those whose tameness, not to Moscow but to Downing Street, is exposed by the test they named themselves.

THE PEACE FRONT IS DEAD

Let us face facts. We sought, on mankind's detestation of war, to build a collective barrier, which, frustrating aggression, would thereby bottle the expansive force of capitalism and give each people the chance to solve crisis instead by Socialism. Had we succeeded and had, improbably, war come from our success, it must have taken a progressive and anti-capitalist form.

Precisely because it would have had this effect, our rulers sabotaged the barrier ; to preserve capitalism they sought to allow expansion still, but to divert it from their own interests. It is this policy, not defence of collective security, which has resulted, as we constantly predicted was inevitable, in war. The war is to continue this policy, and the aims with which the peoples are being deluded into supporting it can never be attained, but only made more distant, by the victory of either warring group.

History gave the working class a favourable path to Socialism, minimising the risk of war, in the People's Peace Front. We failed to attain it. To talk as if it were still attainable, as if the Chamberlain-Daladier alliance were it in being, or as if their victory could achieve its aims, is a deception and an anachronism.

Today more than half the population of the world is at war. Millions of men and thousands of planes face each other in the West, held back from mutual extermination while their respective imperialist groups blackmail each other by murdering seamen and starving civilian populations. Each group seeks agreement on its own terms to save wasting the military forces, and combine them against a different enemy. Each races the other to reduce the standard of living and hamstringing the opposition of its peoples.

Today the comfortable paths are gone. Today the only path to progress lies in opposition to both groups, the defence of working class standards and independence against all attacks. The path to peace, and to Socialism, lies in the frustration of the plans of both groups, and our own share of the job lies here where we can do it.

NOTES ON BOOKS

I

STATUTE LAW RELATING TO EMPLOYMENT by F. N. BALL
(Thames Bank Publishing Co. Ltd, 29, Cliff Town Road, Southend-on-Sea 10/-)

A useful consolidation of the law relating to Employers' Liability, Fatal Accidents, Workmen's Compensation, National Health Insurance, Unemployment Insurance and Factories. The publishers are making arrangements to keep the book up-to-date. **P. H.**

THE FUTURE OF SCOTLAND by JAMES BOWIE (Chambers 7/6)

This book should be read widely by the business man, for whom it is intended. Population, housing, nutrition, education, industry are all examined with the help of clearly set out tables and graphs; and the picture is not reassuring.

Dr. Bowie, however, has constructive proposals to put forward, and these deserve careful examination. The general prevalence of depression in Scotland seems to justify her being regarded wholly as a Special Area requiring a vigorous and whole-hearted plan of action. **A. M.**

DEMOCRACY UP-TO-DATE by SIR STAFFORD CRIPPS (Allen and Unwin 2/-)

It is necessary to dispel the illusion that democracy is a bore in which everything is left to the free initiative of everyone else; but Cripps in the first part of this book makes it more boring still. His definition of democracy (p. 19) is boring to the point of unintelligibility, as is the objective 'the greatest liberty for the greatest number' (p. 45). The Second Part of the book on the reorganization of the political and parliamentary system is interesting and deserves to stand alone. It is pointed out that in the Parliamentary Session 1937-1938 a total of 17 hours was spent in discussing Orders in Council, though a total of 1661 such Orders were passed. **P. H.**

NATIONAL CAPITALISM by ERNEST DAVIES (Gollancz 10/6)

The theme of this very useful book is that since 1931 the ruling class has identified its own interests with those of the nation, with the result that capitalism has been strengthened. In individual chapters it is shown how the Government created monopoly in the steel industry; how Empire cable and wire communications were reserved for private enterprise; how subsidies were given both to shipping and beet sugar in order to secure dividends; and how the troubles of the L P T B are largely due to over-compensating. The chapters on particular industries are so good, and rich with facts, that the general chapters are, by contrast, disappointing. **P. H.**

THE MATERIALIST CONCEPTION OF HISTORY: A CRITICAL ANALYSIS by KARL FEDERN (Macmillan 10/6)

A book against the Marxist interpretation of history rather than upon it. The author is a cut above Prof. Hearnshaw; but that of course is not saying much. Most of his space is taken up in an easy attack upon the applications by Curnow of the Marxist method and upon the slapdash generalisations of Kautsky. It is interesting to notice that none of Marx's own historical writings come in for analysis; and Lenin's theoretical discussions of historical materialism and his writings on Russian history are ignored. For that matter none of the Soviet historians are mentioned. **C. G. P. S.**

SCIENCE AND EVERYDAY LIFE by J. B. S. HALDANE (Lawrence & Wishart 5/-)

Articles on popular science reprinted from the *Daily Worker*, and grouped under such heads as "Meals", "Bad Air", "Science and Society" etc. Vigorously and interestingly written, with a Marxist moral embedded in or appended to most of them. **M. I. C.**

THE DANGER OF BEING A GENTLEMAN by HAROLD J. LASKI (Allen and Unwin 7/6)

This is an assorted collection of previously-published essays which were written between 1926 and 1938. Proud of not being one himself, Prof. Laski has great fun in presenting the English gentleman—but he is an obsolete type. Otherwise the book is serious, and includes "The Committee System in English Local Government," "Law and Justice in Soviet Russia," "The English Constitution and French Public Opinion, 1789-1794." **P. H.**

CO-EDUCATION by L. B. PEKIN (Hogarth Press 7/6)

A clear survey of co-education in its historical setting. The author has had considerable experience in a co-educational boarding school. The book is not a mere justification of co-education, but seeks to answer Plato's question on the nature of woman—'Is she capable of sharing either wholly or partially in the actions of men, or not at all?' Mr Pekin shews a grasp of the real object of education in its relation to the structure of society. This book should help to educate public opinion.

The private school having done the experimental work, the real test of co-education must come in its adoption on principle, not economic expediency, by the State. It is significant that one of the first acts of the Russian Revolution was to make co-education universal, and of the Nazis to destroy it. **A. M.**

DEMOCRACY AND SOCIALISM by ARTHUR ROSENBERG (Bell 12/6)

This is a profound and stimulating history of socialist thought and action since the French Revolution which it is well worth anyone's time to study and master. The author's attention is centred on the Continent and his comments on events in England although penetrating are brief. **C. G. P. S.**

AFTER THE DELUGE by LEONARD WOOLF Vol. II, 1830-1832 (Hogarth Press 15/-)

Part I of this 'study of the communal psychology of democracy' appeared eight years ago, and discussed the conditions under which the ideals of democracy had their birth, and their first explosion in 1789. This volume deals with the democratic movement as displayed in the passage of the Reform Act and the French Revolution of 1830. A third, which those of us who so greatly appreciated the first hope will appear after an interval rather less, is to trace democracy down to 1914. **M. I. C.**

MODERN POLITICAL DOCTRINES Edited by ALFRED ZIMMERN (Oxford University Press 7/6)

This anthology is valuable both as a refresher for those already familiar with these philosophers and as a stimulus to the uninitiated to turn to the originals. Professor Zimmern's collection is very apt. Whether it be a quotation from Burke on Conciliation with the Colonies, or Hegel on 'The Idea of the State', or Hubert Bland's Fabian Essay or the 1848 Manifesto of the Communist Party (the last two being printed

NOTES ON BOOKS

in full) it is equally apposite today. If it were made compulsory reading for every aspirant to political honours the confused thinking that emanates from the public platform would be considerably reduced.

E. D.

2

HISTORY OF THE WAR by STEPHEN KING-HALL Vol. I (Hodder and Stoughton 2/-)

A clear and straightforward narrative of the rise of German power and Germany's successive conquests under Hitler. The European situation as a whole or the activities of other countries are not included in the story except in so far as their policies directly concerned Germany's onward course, and there is little discussion of these policies or of the underlying considerations which determined them.

J. I.

THE ECONOMIC CAUSES OF WAR by LIONEL ROBBINS (Jonathan Cape 5/-)

Professor Robbins has contrived in this book to impart an unreality to his subject which must set it in the class of escapist literature. In 125 pages he disproves, to his own satisfaction, both J. A. Hobson and Lenin on Imperialism; and throws off a few ideas of his own which, he finds, conveniently work up to the now familiar war aim of federal union. There is first class entertainment value in the brilliant sneering at the Marxists, but the Federal Unionism is as dreary as Primrose League Unionism.

R. J. P.

OUR WAR AIMS by WICKHAM STEED (Secker and Warburg 3/6)

Our chief war aim is the destruction of Hitler's Germany by military means; a free Germany must then be brought into the community of nations; federal union is suggested. A discussion of German national psychology and its bearings on the rise of the Nazi movement is the best part of a rather unconstructive book, in which, so far as plans for the future are concerned, restatement and elaboration of not altogether unfamiliar political ideas are apt to take the place of study of the practical difficulties of their application.

J. I.

UNDECLARED WAR by ELIZABETH WISKEMANN (Constable 12/-)

Undeclared War is the new sort of war that has been developed to offset the difficulties of obtaining military victories against a reasonably armed opponent. Miss Wiskemann in her analysis of German trade policy in the Balkans and Switzerland shews how successful it has been, particularly in its most victorious period between Munich and the present war. This is a lucid and extremely readable book, which should prove very valuable to anyone who is interested in Europe.

R. J. P.

POLITICAL AND STRATEGIC INTERESTS OF THE U.K. R.I.I.A. (Oxford University Press 7/6)

This study, though made for the group that visited the unofficial Commonwealth Relations Conference at Sydney in 1938 and prepared for press early this spring, is made no less valuable by recent events. It forms a useful background to those changes in foreign policy which led to an extension of our commitments in Continental Europe and the present conflict. Objective as the study sets out to be, it cannot but be tinged with the foreign office or official view, particularly in the events of the 1930's. The survey covers military and political factors in Europe, the Mediterranean and Indian Ocean, and both the Middle and Far East as well as Imperial Defence.

E. D.

